

Amendment
Serial No. 09/850,346

Docket No. PHNL000275

REMARKS

Reconsideration and withdrawal of all grounds of rejection contained in the Office Action are respectfully requested in light of the above amendments and the following remarks. Base claims 1 and 5 have been amended, no new matter has been added. Support for amended claim 1 and 5 can be found at least in the Specification on page 6, lines 1-18. Claims 1-14 are pending herein.

The disclosure was objected to for informalities. Applicants gratefully acknowledge the Office Action's suggestion to add section headings to the specification (under 37 CFR 1.77(b)), however respectfully decline to add the headings as they are not required in accordance with MPEP §608.01(a).

Such section headings are not statutorily required for filing a non-provisional patent application under 35 USC 111(a), but per 37 CFR 1.51(d) are only guidelines that are suggested for applicant's use. They are not mandatory, and in fact when Rule 77 was amended in 1996 (61 FR 42790, Aug. 19, 1996), Bruce A. Lehman, Assistant Secretary of Commerce and Commissioner of Patents and Trademarks, stated in the Official Gazette:

"Section 1.77 is permissive rather than mandatory. ... 1.77 merely expresses the Office's preference for the arrangement of the application elements. The Office may advise an applicant that the application does not comply with the format set forth in 1.77, and suggest this format for the applicant's consideration; however, the Office will not require any application to comply with the format set forth in 1.77."

Miscellaneous Changes in Patent Practice, Response to comments 17 and 18 (Official Gazette, August 13, 1996) [Docket No: 950620162-6014-02] RIN 0651-AA75.

A later amendment to 37 CFR 1.77 (65 FR 54628)

<http://www.uspto.gov/web/offices/com/sol/notices/patbusgoals.pdf> does not change this.

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Claims 1-4 stand rejected under 35 U.S.C. §102(b) as allegedly being anticipated by "Adaptive multiple-candidate hierarchical search for block matching algorithm" to Chan Y-L et al. (hereinafter "Chan"). Claims 5-10 stand rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over Chan as applied to claim 1-4, and in further view of U.S. Patent No. 5,473,379 to Horne (hereinafter "Horne").

Applicants respectfully submit that the amendments made to claims 1 and 5 overcome all of the rejections listed above.

In particular, base claim 1 has been amended to recite (*inter alia*): wherein the steps (a), (b) and (c) are repeated for adjacent blocks when there is a change of value of the chosen optimal candidate value from a previous repetition, using a comparison of the attendant matching error to a predetermined criterion... Base claim 5 recites similar limitations for a System.

Applicants respectfully submit that Chan and Horne, alone or in combination, does not discloses, suggests, or provides a method or system the selection of an optimal candidate value is repeated for adjacent blocks when there is a change of value of the chosen optimal candidate value from a previous repetition, using a comparison of the attendant matching error to a predetermined criterion

Accordingly, it is respectfully submitted that at least for the reasons indicated above, instant base claims 1 and 5 are patentable. With regard to the rejection under 35 U.S.C. §102(b), the Court of Appeals for Federal Circuit has held that:

A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.

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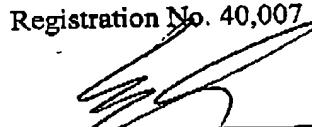
Verdegaal Bros. v. Union Oil Co. of California, 814 F.2d 628,631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987).

In the present application, it is respectfully submitted that Chan and Horne, alone or in combination, fail to disclose each and every element as set forth in base claims 1 and 11. Nor would a person of ordinary skill in the art have found any of the instant claims obvious in view of Chan and Horne.

For all the foregoing reasons, it is respectfully submitted that all the present claims are patentable in view of the cited references. A Notice of Allowance is respectfully requested.

Respectfully submitted,

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